

ACON designs seamless delivery chain for on demand market.

Overview

■ Challenge

Improve time to market and enhance flexibility in responding to market pressures.

■ Why on demand?

Delivering real-time order and inventory information and automating the sales process can improve customer satisfaction, help staff effectively shape successful marketing plans and reduce costs.

■ Solution

Addition of real-time services to help field agents respond quickly to customer needs; integration and automation of customer relationship management and supply chain management processes.

■ Key Benefits

Reduced costs through business process improvements, expanded retail activities without adding staff, improved customer service and strengthened market forecasting capabilities.



The fashion industry is in constant flux. Changing weather patterns, shifting trends, even the latest headlines can alter consumer demand quickly. It's a reality that ACON (www.acon.it), a leading European manufacturer of men's and women's clothing, knows all too well. Based in Verona, Italy, with 130 employees and two factories, ACON is best known for popular brands such as Mash jeans, Fordocks and MSH. The company generates about EUR 50 million in revenue.

“Restructuring our environment has given ACON the necessary flexibility to react and respond to market pressures and stress.”

– Enrico Bernardi, IT manager, ACON

Key Components

Software

- DB2 Universal Database
- Lotus Domino server
- Lotus Notes
- Tivoli Storage Manager
- Tivoli Storage Manager for Databases
- Tivoli Storage Manager for Mail
- WebSphere MQ

Servers and Storage

- @server iSeries
- @server xSeries
- TotalStorage LTO Ultrium Tape Drive 3580

Business Partner

- Pragma Management Systems
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According to Enrico Bernardi, the company's IT manager, to succeed in this dynamic environment, the company needed to become "more responsive to its partners and question its business processes."

ACON faced several challenges in making the needed changes. The company lacked the ability to react to retailer needs quickly and efficiently. Agents did not have local access to crucial customer and product information, such as order status, product availability or sales summaries. As a result, they had difficulty providing immediate answers to retailer questions, forecasting retailer needs and identifying cross-sell opportunities.

Additionally, the order acquisition process was cumbersome. ACON's 35 field agents e-mailed or faxed customer orders to the main office for processing, where internal support staff would then input orders into the company's enterprise resource planning (ERP) system. Agents could enter orders remotely using a terminal emulation solution to connect directly to the company's ERP system; however, agents needed to prepare the entire order on paper first and then rapidly enter the data before the connection terminated. If the connection failed mid-process, they had to re-enter data from the beginning.

Retailers were frustrated with the lack of real-time information and field agents were buried in paperwork, increasing overall operating costs and reducing the time spent in the field promoting the company's product lines to new customers.

"Our retailers were unhappy and so were we because we didn't know how we were doing," recalls Bernardi.

Designing success

To solve these problems, ACON needed to provide its field agents with anywhere, anytime access to information and streamline its business processes so that orders could be easily entered by field agents and automatically sent to its factories and suppliers.

Providing field agents with real-time customer data would help them respond to retailer inquiries fast, thereby increasing customer satisfaction and loyalty. Automating internal processes would help reduce costs and enable field agents to spend more time with customers and less time on paperwork. Accelerating the collection of information and providing staff with enriched statistical data would help shape successful marketing plans for increased sales. Integrating customer relationship management (CRM) and supply chain management (SCM) processes would accelerate the delivery of goods to retailers.

"Our goal was to create an environment that would help us improve time to market and improve our relationship with our customers," explains Bernardi.

ACON turned to Pragma Management Systems, an IBM Premier Business Partner, to help restructure its IT environment so that it could be more reactive and responsive to industry pressures. Based in Italy, Pragma Management Systems (www.pragmams.it) is a EUR 2 million systems integrator that helps organizations automate, integrate and streamline processes to improve business success.

Pragma worked with ACON to develop a new CRM solution for its sales agents that would enable them to efficiently process orders and provide them with near-real-time sales data, such as product availability, order status and sales per customer or product.

With this new system, agents can access customer information, prepare and submit orders online, verify the data necessary to input orders correctly, and analyze sales data from various perspectives and remote locations. Agents can now work offline on their laptops and can log on to seamlessly replicate the information with headquarters.

This integrated, network-based CRM solution is based on IBM Lotus® Domino®, IBM Lotus Notes®, IBM WebSphere® MQ (formerly IBM MQSeries®) and IBM DB2 Universal Database™ and powered by IBM @server™ xSeries® systems.

New orders in the CRM system are automatically transmitted to the company's ERP system for processing through the use of WebSphere MQ. ERP data, such as product availability and order status, gets transmitted from the ERP system to the CRM application using WebSphere MQ and then replicated on agents' local systems through the Lotus Domino replication facility.

"IBM solutions are fantastic in helping companies improve collaboration and integrate processes so that users can work according to business needs and market requirements," says Francesco Breda, managing director of Pragma Management Systems.

Protecting data integrity

In developing the new system, data availability and resiliency were significant concerns for the company, making it imperative to implement a first-class data-protection solution. The new CRM application generates more than 30GB of data daily, and IT staff must be able to restore this data quickly in case of accidental deletion or destruction.

In the past, critical data was located only on an IBM @server iSeries™ system (formerly IBM AS/400®), and IT staff used the internal data-protection procedures built into the IBM system to support data backup and recovery.

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Pragma Management Systems*

On demand benefits

- Automation of order-entry processes reduces operating costs through less paperwork and high-quality order information.
 - Access to enriched statistical data helps staff effectively evaluate trends and predict customer needs.
 - Delivery of ordering, sales and other crucial data practically anytime, anywhere has improved customer service and customer satisfaction.
 - Increased agent productivity enables company to expand sales reach without adding staff.
 - A resilient data-protection environment enhances business continuity and protects company in event of data loss.
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However, with the deployment of a network-based infrastructure, the organization needed a single data-protection solution that would back up data residing on multiple platforms.

In response, Pragma Management Systems implemented IBM Tivoli Storage Manager on a Linux-based @server xSeries system to automate data backup and restore functions. IBM Tivoli Storage Manager for Mail and IBM Tivoli Storage Manager for Databases are also used to allow IT staff to back up vital CRM data without having to take the applications offline. The solution backs up data to a disk storage pool and then migrates the data in an orderly fashion that optimizes data restore to an IBM TotalStorage® LTO Ultrium Tape Drive 3580.

“We cannot risk the inefficiencies that come with the lack of current data or the loss of data,” Bernardi explains. “Tivoli Storage Manager helps us enhance data resiliency and availability to effectively support our customers’ needs.”

Platform independence was a particularly critical requirement for the company as the company uses both Microsoft® Windows NT® and Linux operating systems. “Tivoli Storage Manager is at the top of its class,” he adds. “It provides us with a high-performance data backup and recovery solution that integrates easily with our global middleware framework and supports a wide range of platforms, including Linux.”

A model of efficiency

With the new application based on IBM technologies, the process to acquire and transmit orders has been streamlined so that ACON field agents require less support from internal staff and can process more orders in less time. The company estimates that this has helped reduce costs and has supported the expansion of commercial activities without the need to add extra staff.

Additionally, by providing agents with access to needed information practically anytime, anywhere, the company has improved customer service and increased customer satisfaction.

“Restructuring our environment has given us the necessary flexibility to react and respond to market pressures and stress,” says Bernardi.

Tivoli Storage Management Solutions help IT staff improve the resiliency of these services. According to Bernardi, the greatest benefits have been the abilities to back up data quickly without impacting users and rapidly restore information to minimize the business impact of data loss. These abilities are absolutely crucial because any disruption can affect both the processing of orders and the purchasing of goods.

For example, the software's intelligent data-movement features enable the organization to back up data to disk first and then migrate that data to tape for fast processing. Additionally, the solution's intelligent progressive incremental backup capability, which backs up only new or changed files, prevents the ACON IT staff from having to perform a full backup weekly with daily incremental backups. This means less impact on the company's networks and systems, and IT staff can easily restore only the requested files. According to Bernardi, when the company needs to restore data after a system outage or loss of data, Tivoli Storage Manager helps IT staff return the system into operation in a remarkably fast time.

A new line of services

Development of the CRM solution is only the first step in ACON's business transformation. ACON recently activated a new SCM solution, developed by Pragma Management Systems and based on IBM hardware and Lotus software, to automate the transmission of orders to ACON factories and suppliers abroad.

At the same time, ACON is evaluating additional Tivoli solutions to reduce IT costs and strengthen service availability. For example, the company is considering IBM Tivoli Storage Resource Manager, which helps IT staff identify, evaluate, control and predict storage management needs. ACON would use Tivoli Storage Resource Manager to reduce backup and restore times even further, and improve application availability through automated capacity provisioning. It is also looking at IBM Tivoli Access Manager for e-business to provide cost-effective, policy-based security for the company's online services.

"The choice of IBM middleware and Tivoli software has been strategic in helping us become more responsive to market pressures and strengthen the resiliency of our services," Bernardi stresses. "Our IT infrastructure will continue to be based on IBM technologies, and we plan to evaluate more Tivoli solutions to help us better manage and control our environment."

For more information

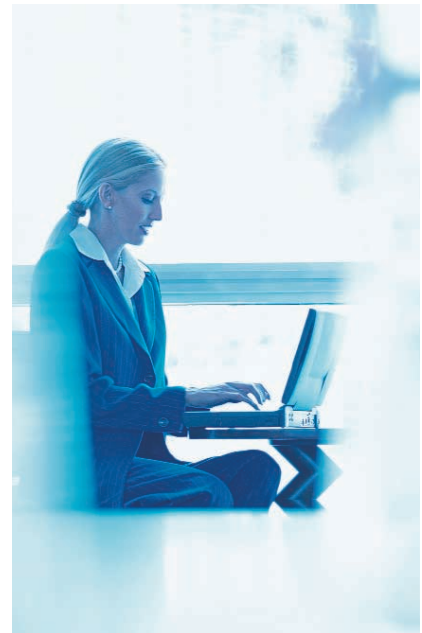
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